OFFER FOR IOWANS

IDENTIFYING INFORMATION

Offer Identifier: H_401_11F

Offer Name: SCHIP (State Children's Health Insurance Program) - Healthy and Well Kids In Iowa (***hawk-i***) and Medicaid Expansion

This offer is for a (pick one):

_ new activity

X improved existing activity (describe the improvements in your narratives below)

status quo existing activity

Result(s) Addressed:

Primary Results:

Improve Iowan's Health

- All Iowans Have Access to Quality Care
  - Preventative Care
  - Primary Care
  - Acute/Emergency Care
  - Behavioral / Developmental Care, Including Substance Abuse & Mental Health Treatment
  - Continuity of Care

Improve Student Achievement

- Ready to Learn Students – Health of Learners
  - Access to Health Care
  - Medical and Developmental Supports for Special Needs
  - Social and Emotional Supports

Secondary Results:

Transform Iowa's Economy

- Quality Government Services
  - Health Care
- Affordability
  - Accessible Health Care

Improve Community Safety, particularly for vulnerable Iowans

- Prevention – Youth and Child Development
  - Healthy and Socially Competent
- Managing Crises
  - Detection and Reporting of Crises
  - Preliminary Interventions
- Child Crime and Abuse Victim Assistance
  - Crime and Abuse Medical Assistance

Participants in the Offer: Iowa Department of Human Services, Iowa Department of Public Health, Insurance Division, Iowa Department of Education, University of Iowa, Wellmark, John Deere Health Plan, Iowa Health Solutions, and MAXIMUS

Person Submitting Offer: Kevin Concannon, Director

Contact Information: Ann Wiebers, (515) 281-6080, fax (515) 281-7791, e-mail: awieber@dhs.state.ia.us

OFFER DESCRIPTION

Existing Activity

The Department of Human Services (IDHS) proposes to continue to provide services to uninsured children through Iowa's SCHIP program as mandated by Chapter 514I of the Code of Iowa. The SCHIP program includes both a Medicaid expansion and a separate child health insurance program called the Healthy and Well Kids in Iowa (***hawk-i***) Program. This offer includes administrative functions and staff necessary to deliver services effectively and efficiently. Service levels under this offer assume any salary adjustment for IDHS staff is fully funded.

The Medicaid expansion component of the SCHIP program provides Medicaid coverage to children, ages 6 through 18 whose family income is between 100 – 133% of the federal poverty level. Health care services are provided to children in this group through existing Medicaid provider networks.

The ***hawk-i*** program provides coverage to children who live in families who have too much income to qualify for Medicaid, but do not have health care coverage. Eligible children are under the age of 19, have no health insurance and do not qualify for Medicaid, meet citizenship requirements, and live in families whose income is less than 200% of the federal poverty level. Families with income at or above 150% of the federal poverty level pay a monthly premium of $10 per child ($20 family maximum) to participate in the program. Coverage is provided through contracts with commercial health plans (currently Wellmark, John Deere Health Plan and Iowa Health Solutions) in accordance with 514I.6 of the Code of Iowa and the program is administered through a contract with a third party administrator (currently MAXIMUS) in accordance with 514I.7 of the Code of Iowa.

DHS contracts with the Iowa Department of Public Health (IDPH) for outreach services and collaborates with IDPH, the Department of Education, and other public and private entities in efforts to identify and enroll all potentially eligible children. As a result of ***hawk-i*** outreach efforts, almost 90,000 additional children have attained health care coverage either through ***hawk-i*** or Medicaid since the program was implemented. These efforts have also contributed to Iowa being recognized as having one of the lowest child uninsured rates in the country. For every one child attaining eligibility through ***hawk-i,*** three children are identified as Medicaid-eligible. It is projected that the SFY06 year end enrollment in the Medicaid Expansion as of June 30, 2006 will be 12,679 and 21,009 children are projected to be enrolled in the ***hawk-i*** Program. This compares to projected SFY 2005 year-end enrollments of 11,633 in the Medicaid Expansion program and 19, 212 in ***hawk-i***.

Improved Activity

The Department proposes to broaden health care benefits to ***hawk-i*** children with an enhanced benefit package that includes the following:

- Care coordination services added as benefit.
- Case management benefit added for children with special needs.
- Dental benefits increased to $1,500 maximum annually.
- Mental health and substance abuse services comparable across health plans
- Nutrition services will be added to cover medically necessary nutrition services.

OFFER JUSTIFICATION

Existing Activity

> *"I am extremely grateful for the **hawk-i** plan, it has made all the difference in the world. Before this coverage, I would wait to take my daughter to the doctor to make sure I had enough money for prescriptions. My daughter recently had her tonsils out and I didn't have to stress about anything but her well-being and, trust me, that was enough for me. To whom it may concern, I just want to say THANK YOU!"*
>
> "***hawk-i** has been a lifesaver since my husband's layoff. We went without health insurance for the kids for over a year before we got **hawk-i**. It has been a tremendous relief knowing that I don't have to worry about their coverage anymore. I look forward to my husband graduating from college and obtaining a job so that we may again have our entire family covered by health insurance….."*

These comments are typical of the hundreds of comments the Department has received from families participating in the ***hawk-i*** program and represent the dilemma that many families face in trying to provide medical care to their children. As health insurance costs continue to rise, fewer employers are offering health care coverage and more costs are being passed on to employees. This has resulted in more families becoming uninsured. Iowa's SCHIP program is an important safety-net that helps families protect the well-being of their children.

This program provides health care coverage to low-income children in working families. It contributes to the goal of ensuring that all Iowans have access to quality care by providing eligible children with comprehensive preventative and primary care services in early developmental years. Covered services include medical (inpatient, outpatient, emergency), preventative (immunizations and well child visits), dental, vision, chiropractic services, prescription drugs, mental health and substance abuse treatment and more.

Preventative strategies, clinical guidelines and health education are a required component of each health plan's contract. From monthly newsletters to provider education, immunization and well child appointment reminders, screening and health education, the program strives to make sure that each child and family receives information necessary to make informed health care-related decisions.

The ***hawk-i*** program has collected results-based health outcome measurements since the program was implemented. Significant improvements in access to care, health status and the family environment were found as a result of providing health coverage through Iowa's SCHIP program.

Survey results from the University of Iowa's Public Policy Center (4th ***hawk-i*** Impact on Access and Health Status report) present an estimate of the effect that providing ***hawk-i*** health care coverage had on previously uninsured children. A summary the report is attached to this offer.

Children with health insurance coverage are more likely to have a medical home in which to receive medical care. This contributes to overall continuity of care and care coordination. The positive benefits to children should be kept in mind as buying teams prioritize programs.

This program contributes to the health of learners by providing access to health care. Healthy children are more likely to be ready to learn students. Interaction and guidance received from qualified doctors and medical staff provides children and families with medical, educational and early intervention services that contribute to a child's good health and optimal school attendance and performance.

This program provides quality government services through the provision of affordable and accessible health care coverage to families with uninsured children. For every one dollar spent on this program, the State of Iowa draws down three dollars in federal funding. By providing a payment source, the amount of uncompensated care provided by hospitals and medical providers is reduced. This impacts the cost that is charged to others in the form of increased cost for care and health insurance premiums. The Impact on Access and Health Status report indicates

that parents are significantly more likely to purchase health insurance coverage for themselves once they know their children have comprehensive health care coverage.

By providing health care coverage to children, this program contributes to the detection and reporting of crises. Medical professionals are required to report abuse and neglect cases to the proper authorities. Health care coverage with a primary care physician provides the opportunity for early detection and intervention. Additionally, since the inception of the functional health assessment survey, the Impact on Access and Health Status report reveals that after being in the ***hawk-i*** program for one year, 96% of families report that family stress was reduced significantly. This is attributed to parents no longer having to worry about how they will pay for medical bills if their children are sick or injured.

Improved Activity

The enhanced benefit package to broaden health care benefits to ***hawk-i*** children is a recommendation made by the ***hawk-i*** Program Clinical Advisory Committee in the third annual report to the Governor. This benefit package will ensure that coverage provided under ***hawk-i*** addresses the unique health care needs of children. These changes are a fundamental, philosophical change in the way the program's benefit plan has been constructed. When the programs was put together there was a concern that in order to get a plan implemented it would be necessary for insurance companies to pull something off the shelf otherwise it would be too difficult. The committee felt strongly that the Board and Legislature have the opportunity to create a plan that broadens the benefit package that gives ***hawk-i*** enrolled children a health plan that addresses their needs. The Board unanimously approved the five recommendations.

PERFORMANCE MEASUREMENT AND TARGET

Existing Activity

Measurement	**Target**
Number of children who are enrolled in ***hawk-i***	**21,009**
Number of children who are enrolled in Medicaid expansion	12,679
Total **SFY 06 year end** SCHIP enrollment	**33,688**

Improved Activity

Measurement	**Target**
Number of children enrolled in the ***hawk-i*** program receiving care coordination services.	increase TBD
Number of children with special needs receiving case management services.	increase TBD

PRICE AND REVENUE SOURCE

Existing Activity

Total Price: $72,774,042

Expense Description	**Amount of Expense**	**FTEs**
Program Costs	**$68,794,794**	
Program Administration	**$ 3,378,766**	
Service Delivery	**$ 200,485**	**2**
General Administration	**$ 399,997**	**5**
Total	**$72,774,042**	**7**

Revenue Description	Amount
General Fund	**$21,614,425**
Federal	**$50,950,360**
Other – (Tobacco funds and outstationing revenue)	**$ 209,257**
Total	**$72,774,042**

Improved Activity

Total Price: $1,832,976

Expense Description	Amount of Expense
Benefit Enhancement Package*	**$1,832,976**
Total	**$1,832,976**

Revenue Description	Amount
General Fund	**$ 475,841**
Federal	**$1,357,135**
Total	**$1,832,976**

***Benefit enhancements include:**

Benefit enhancements include:	state $	total $
1. Care Coordination	$177,634	$684,255.97
2. Case Management for children with special needs	$36,603	$140,997.49
3. Dental benefits to $1500.00	$191,628	$738,166.70
4. Mental Health and Substance abuse benefits (make comparable across health plans)	$39,833	$153,439.37
5. Nutrition Services	$30,144	$116,116.47
Total (state dollars) Benefit enhancement cost	**$475,842**	$1,832,976.00

Note: At this point in the Congressional appropriation process for Federal Fiscal Year 05, it is unclear if there will be sufficient federal matching enhanced Title XXI funds available in SFY 06 to support the projected enrollment numbers for the Medicaid Expansion and ***hawk-i*** programs and enhanced benefit package indicated under the OFFER DESCRIPTION. The above Revenue Description is based on the assumption that Title XXI funds available for SFY 06 will be insufficient by approximately $3,332,205 and that this deficiency will be covered by state general funds. While neither the overall price nor revenue for this offer will change in the event there are sufficient Title XXI funds available in SFY 06, there will be a shift of this amount from general funds to federal funds as the revenue source.

Without either Federal or State replacement funds; **4,094** children (21.42% of total enrollment) will have to be disenrolled from the ***hawk-i*** program effective July 1, 2005. Enrollment will be capped at **15,020** for all of SFY 06. In addition, **1,895** children that would otherwise be added to the program in SFY 06 will not be able to be enrolled.

Response to Health Buying Team Questions:

Note: Although there has been interest in increasing the income limit to provide coverage for additional children, due to the diminishing availability of federal funding, it is unlikely that there will be sufficient federal funds for an expanded child population. Therefore, the cost of this expansion most likely would have to be supported with 100% state funds.

The U.S. Census estimates there are 15,000 uninsured children in Iowa living in families with income greater than 200% of FPL. DHS does not have data with which to do a more finite breakdown but it is believed the majority of these kids are under 250% of FPL and only a very small percentage are over 300% of FPL. Based on these assumptions, if 100% of the eligible children were covered, DHS estimates the costs of expansion as follows:

200% - 250% FPL – 11,250 children (75%) x $2,175 = $24,468,750

250% – 300% FPL - 3,000 children (20%) x $2,175 = $ 6,525,000

> 300% - 750 children (5%)

If federal funding were to become available, the state's cost per child would be $565 instead of $2,175.

Current offer amount does not include cost associated with increasing eligibility to 300% of FPL.

OFFER FOR IOWANS

IDENTIFYING INFORMATION

Offer Identifier: H_401_10F

Offer Name: Health Insurance Premium Payment (HIPP) Program

This offer is for a (pick one):

_ new activity
_ improved existing activity (describe the improvements in your narratives below)
X status quo existing activity

Result(s) Addressed:

Primary Results:
Improve Iowan's Health

- All Iowans Have Access to Quality Care
  - Preventive Care
  - Primary Care
  - Acute/Emergency Care
  - Continuity of Care

New Economy

- Quality Government Services
  - Health Care
- Affordability
  - Accessible Health Care

Participants in the Offer: Iowa Department of Human Services and Private Sector Health Plans and Employers

Person Submitting Offer: Kevin Concannon, Director

Contact Information: Ann Wiebers, (515) 281-6080, fax (515) 281-7791, e-mail: awieber@dhs.state.ia.us

OFFER DESCRIPTION

The Iowa Department of Human Services (IDHS) proposes to continue to provide services through the Health Insurance Premium Payment (HIPP) program in accordance with Section 1906 of the Social Security Act and 441—75.21 of the Iowa Administrative Code. The program benefits the State by reducing Medicaid costs and benefits the participant by establishing health care coverage that is available to them when they Medicaid.

The AIDS/HIV HIPP program maintains health insurance coverage for persons living with AIDS/HIV-related illness who do not qualify for Medicaid and whose illness prevents them from maintaining health insurance coverage.

This offer includes administrative functions and staff necessary to deliver services effectively and efficiently. Service levels under this offer assume any salary adjustments for IDHS staff is fully funded.

OFFER JUSTIFICATION

Many Medicaid-eligible families are employed by employers who offer health insurance coverage but they cannot afford to enroll in the plan. The HIPP program obtains or maintains health insurance coverage for Medicaid-eligible persons by paying insurance premiums for third party coverage, through an employer or individual health plan, when it is determined cost-effective to do so. This allows the family to maintain a connection with the private insurance market and the other coverage then becomes the primary payor of their medical care. The HIPP program has a significant return on investment because it results in reducing Medicaid costs by an estimated 23% for persons participating in the program. It is also an excellent example of savvy government purchasing because it maximizes funding and provides a mechanism by which a public program can partner with private sector employers and insurers to reduce the cost of the public program as well as to provide health insurance coverage to uninsured persons who are not on public assistance.

The AIDS/HIV HIPP Program currently provides health insurance for 11 people on 9 cases. By purchasing this offer, results targeted by the Iowans' Health and Transform Iowa's Economy buying teams are addressed.

This program contributes to the goal of ensuring that all Iowans have access to quality health care. While the HIPP Program was primarily designed to reduce Medicaid costs, it also helps reduce the state's overall uninsured rates. By buying into employer health plans for Medicaid-eligible persons, we are able to also provide coverage to other low-income non-Medicaid-eligible family members at no additional cost while at the same time taking advantage of group rates and contributions made by employers towards the cost of their employee's coverage. For example, in order to cover the Medicaid-eligible children in a family, we would have to buy either the employee + child plan or the family plan option. Therefore, in this example, the parents can also be covered at the same cost of covering the children.

In addition to having access to primary care, persons with health care coverage are more likely to seek preventive care rather than to wait until they are forced to seek care for treatment of an illness in a more acute care setting such as an emergency room. Persons with health insurance coverage are also more likely to have a medical home in which to receive medical care. This contributes to overall continuity of care and care coordination. By providing health care coverage to persons who are not otherwise Medicaid eligible, this program provides access to mental health and substance abuse treatment as well as treatment for communicable diseases to persons who may otherwise not have access to those services. Additionally, providing access to health care services contributes to the detection and reporting of crises. Medical professionals are required to report abuse and neglect cases to the proper authorities. Health care coverage with a primary care physician provides the opportunity for early detection and intervention.

This program provides quality government services through the purchase of cost-effective health plans for Medicaid-eligible persons and their families. With a goal of reducing Medicaid expenditures, the HIPP Program is able to deliver services to more people in a cost-efficient manner. By maintaining coverage for persons living with AIDS or HIV-related illness, the person is less likely to depend on public assistance or charity care. The cost of paying a health insurance premium is significantly less costly than providing direct care services to this vulnerable population.

By providing health care coverage through an employer, employees are able to enroll in employer health care plans that they may not otherwise be able to afford. This also results in employees being less likely to "job hop" in an attempt to secure a job with more benefits.

PERFORMANCE MEASUREMENT AND TARGET

Measurement	Target
Average monthly number of individuals who use employer-provided insurance through HIPP	6,090 Medicaid participants 4,313 non-Medicaid participants 10,490 total
Number of HIPP referrals	TBD

PRICE AND REVENUE SOURCE

Total Price: $

Expense Description	Amount of Expense	FTEs
Administration	**$1,225,148**	**21.00**
Total	**$1,223,148**	**21.00**

Revenue Description	Amount
General Fund	**$612,574**
Federal Funds	**$612,574**
Total	**$1,225,148**

Response to Health Buying Team Questions

The average cost per year for a HIPP Medicaid client is $3,005.89 versus $3,891.47 for a non-HIPP Medicaid client. This is an annual per person savings of $885.58. The average monthly number of Medicaid eligible participants in the program was 5,075 in SFY 2004. 5,075 persons x $885.58 annual savings = $4,494,318.50 total annual savings.

OFFER FOR IOWANS

IDENTIFYING INFORMATION

Offer Identifier: H_401_07F
Offer Name: Iowa Medicaid – Maintaining Access – Eligibility Standards and Provider Network
This offer is for improving an existing activity (describe the improvements in your narratives below)
Result(s) Addressed: Improve Iowan's Health, Building the New Economy
Participants in the Offer: Iowa Department of Human Services
Person Submitting Offer: Kevin Concannon
Contact Information: Eugene I. Gessow, 281-6249, egessow@dhs.state.ia.us

OFFER DESCRIPTION

This is an offer to maintain current Iowa Medicaid eligibility standards, to provide those services mandated by Title XIX for all eligible individuals, to freeze provider rates for all mandatory services at SFY 2005 levels, and to administer the Medicaid program.

Iowa Medicaid, by and through the Department of Human Services (DHS) and the Iowa Medicaid provider network, will provide access to quality health care for an estimated 294,760 low income Iowans each month in SFY 2006 by:

Maintaining the current Medicaid eligibility standards for all categories of eligible individuals (elderly, disabled, children, parents and caretaker adults, and pregnant women) Iowans. We expect the number of Iowans enrolled in Medicaid to grow modestly during SFY 2006, notwithstanding the absence of changes to eligibility rules. Note: Enrollment in SFY 2004:

- Children: 195,669 enrolled for all or part of the year and an average of 141,294 each month
- Disabled: 61,258 enrolled for all or part of the year and average of 57,088 each month.
- Elderly: 35,932 enrolled for all or part of the year and average of 26,988 each month.
- Other Adults: 81,503 enrolled for all or part of the year and average of 45,597 each month.

Note: This offer necessarily includes the continuing costs to DHS of determining and re-determining status (residency, family, disability) and financial (income and asset) eligibility, and the availability to enrollees of other insurance (including Medicare).

Continuing to cover all those medically necessary services that Title XIX of the Social Security Act mandates for everyone enrolled in Medicaid. These include: inpatient and outpatient hospital, physician, clinic, lab, radiology, inpatient and outpatient behavioral health, ambulance, nursing facility, home health, family planning services. We expect the utilization of covered mandatory services to grow due to improvements in medical technology, increases in enrollment of medically challenged populations and use of higher cost treatment options.

Note: This offer includes the continuing costs to DHS of prior authorization, assessment of medical eligibility for nursing facility and waiver services, enrollment in Iowa Medicaid managed care and maintenance of our medical provider network and supervision of our managed care (including Iowa Plan) contracts.

Note: This offer includes capitated amounts paid for following managed care:
Health Maintenance Organizations - $35,609,568
Iowa Plan - $33,787,356
MediPass Patient Management - $707,462

Continuing to pay Medicare Part A and Part B premiums, co-payments and deductibles for dual eligibles. Increases of 15% in Medicare Part B premiums and 8.9% for Part A co-payments and deductibles were based on averages of the percentage increases for the calendar years 2004 and 2005. However, in SFY 2005 Iowa did take steps to receive federal reimbursement for Part B premiums that previously had been paid for with 100% state dollars.

Note: This offer does not include Iowa's SFY 2006 "clawback" payment to **Medicare Part D.** That payment is included in a separate offer, which also includes the cost to Iowa of administering the Part D subsidy program for individuals who are not covered by Medicaid.

Freezing provider rates at SFY 2005 levels. This DHS offer does not include either rate increases or rate decreases. [But see DHS Offer H_401_07; E_401_07 regarding nursing home rebasing and practitioner rates.] While rate increases may advantage the program by strengthening our provider network, rate decreases, would, likely disadvantage the system by weakening our provider network. There are probably exceptions to the latter statement as well as to the former statement.

Note: DHS has included in its contract for provider audit and rate setting services a requirement that, beginning in SFY 2006, the contractor report annually on the extent to which Medicaid payment rates for the same services are equal to, less than, or exceed, the rates paid by Medicare and by private third party insurers doing business in Iowa. This report should provide policymakers with the kind of information necessary to make informed rate decisions.

Administration. This offer includes the continuing costs to DHS of: accurate claims adjudication, adjustment and payments, rate calculations and cost report audits, and responding to provider inquiries regarding eligibility, coverage and claims status. It also includes funds for budgeting, state and federal financial reporting, including responding to federal auditors and revenue collections (drug rebates, premiums and recoveries against third party insurers).

Although DHS is not offering to reduce program costs by raising eligibility standards (i.e., eliminating so-called "optional" eligibility categories), or reducing provider rates, DHS **does** propose to use the fiscal agent re-procurement to install changes that will both reduce program costs and improve quality. Some of these are discussed above. In addition, under new performance based service and systems contracts Iowa Medicaid will:

Strengthen medical management by, *inter alia*, engaging a full time medical director to ensure a coherent clinical strategy across all eligibility categories and provider services, expanding our disease management activities and adding enhanced primary care case management where it can be effective from both a cost and quality perspective. We also expect to improve our level of care assessments for individuals in/or seeking long-term care services.

Make measurable improvements over a SFY 2005 base line in customer service. Our customers include: members, providers, legislators and other policymakers as well as the general public. We plan to provide web based access to claims information for providers, an 800 number for members tasked to make them more effective, efficient and responsible -- and therefore, healthier --, consumers. We are also installing a data warehouse with appropriate query tools to provide legislators and other policymakers with the opportunity to develop truly evidence-based health care policies.

Focus on program integrity. This includes a substantial increase in the resources devoted to protecting Iowa taxpayers against overpayments to providers, over-utilization of services by members, inadequate attention to provider rate policies and costs. It includes increased attention to collection of all revenue due to Medicaid from third party payors (including Medicare and private insurers) and pharmaceutical manufacturers. Additionally, it means ensuring that all program administrators consistently and properly apply Medicaid policies, such as prior authorization of medical services, third party payment recovery, estate recovery and provider payment rules. Our performance-based contracts will ensure that program administrators, including contracted and state employees can be held accountable for program performance.

In general, DHS' goal is to become as cost effective a managed care and quality care management organization as any private insurer– particularly for the aged and disabled, but also for special needs children and adults. It is critical to understand that DHS is not trying to "crowd out" private insurers or managed care organizations from the market we currently serve. To the contrary, DHS would welcome private insurers who are willing to serve those now protected by DHS at a price that makes sense for Iowa taxpayers.

There is additional cost associated with the efforts detailed above. However, overall, this additional cost will be offset by, increased savings in our program budget. This offer has reduced our program budget by $6,867,298 based on realizing those savings.

OFFER JUSTIFICATION

The offer is appropriate and should be accepted because it will:

- Provide low-income children, their parents, the disabled, the elderly and pregnant women with timely access to appropriate quality medical care.
- **Medicaid is a critical part of the State's economy**. It will bring in more than $1.5 billion dollars in SFY 2006 to Iowa from the federal government. (To assess the full impact of these dollars on jobs and income and state tax revenues, one should also take into account the "multiplier" effect of these federal dollars). Also there are numerous Iowa communities where Medicaid is the largest third party payor for medical service providers who are key players in the local economy.
- Establish the administrative infrastructure necessary to support a performance based, evidence driven system of quality acute, preventive and long-term care services.

PERFORMANCE MEASUREMENT AND TARGET

- Percentage of Medicaid families who are aware of and know how to access preventive health care services. Target = 15% increase over SFY 2005.
- Percentage of children and parents (other than those with special health care needs) with regular access to care management (either PCCM or capitated). Target = 95%.
- Timely implementation of Iowa Medicaid Enterprise (IME). Target = Full federal system certification by March 2006.

PRICE AND REVENUE SOURCE

Total Price: $1,643,183,682

Expense Description	Amount of Expense	FTEs
Medical Assistance	**$1,562,858,371**	
IME & Other Medical Contracts	**$42,449,543**	
Field (Eligibility Determination)	**$26,870,410**	**407.05**
Administration	**$10,355,690**	**94.42**
Administration (Increased Accountability for Medicaid)	**$649,668**	**12.00**
Total	**$1,643,183,682**	

Revenue Description	Amount
State General Funds	**$378,960,665**
Other State $ (Includes Property Tax Relief, Senior Living Trust Fund, Tobacco Trust Fund, and Hospital Trust Fund)	**$130,497,851**
Federal Matching Funds	**$1,017,914,767**
Other Funds (Includes Iowa Department of Public Health, Drug Rebates, Recoveries, SRCs, and County Share)	**$115,810,399**
Total	**$1,643,183,682**

.OFFER FOR IOWANS

IDENTIFYING INFORMATION

Offer Identifier: H_401_12F
Offer Name: State Supplementary Assistance (SSA) and Rent Subsidy

This offer is for a (pick one):
_____ new activity
__X_ improved existing activity (describe the improvements in your narratives below)
__X_ status quo existing activity

Result(s) Addressed:

Improve Iowan's Health

- All Iowans Have Access to Quality Care
  - Preventive care
  - Continuity of care
- Improves Quality of Life
  - Safe and Healthy Living Environment for people with special needs and vulnerable populations
  - Strengthens and supports families

Participants in the Offer: Iowa Department of Human Services
Iowa Finance Authority

Person Submitting Offer: Kevin Concannon, Director

Contact Information: Ann Wiebers, (515) 281-6080, fax (515) 281-7791, e-mail awieber@dhs.state.ia.us

OFFER DESCRIPTION

Existing Activity

State Supplementary Assistance

State Supplementary Assistance (SSA) provides for financial assistance to meet special needs of aged, blind and disabled people not met by the federal Supplemental Security Income (SSI) benefit.

SSA covers seven categories of special need:

- **Mandatory State Supplementation, Blind Allowance, and Dependent Person Allowance** provide additional financial assistance to eligible persons.
- **Family Life Home Assistance, In-Home Health-Related Care Assistance, and Residential Care Facility** services provide assistance to help keep persons out of institutions or nursing facilities.
- **Supplement for Medicare and Medicaid Eligibles** provides $1 per month to persons above 135% of the federal poverty level. This coverage group allows the state to receive federal

financial participation when paying the Medicare Part B premium, resulting in an annual cost savings measure for Medicaid of $3,582,952.

The benefits provided through these programs are required as a part of the federal Maintenance of Effort (MOE) requirement for the Medicaid program. If the state does not meet this MOE requirement, the **state cannot participate in the Medicaid program**, which would result in an **annual loss of $1.6 billion in federal Medicaid funds**. Federal law prohibits the state from establishing waiting lists under any of the SSA coverage groups so assistance must be provided to everyone who meets the eligibility requirements.

A minimum benefit amount is set by federal statute or regulation for each of the SSA programs with the exception of the Supplement for Medicare and Medicaid Eligibles. While states may pay more than the federal minimum amount for any program, they cannot pay less. Iowa currently pays the federal minimum amount for Mandatory State Supplementation (amount varies by individual), Blind Allowance ($22/month), Dependent Person Allowance ($285/month), and Family Life Home ($162/month). Currently, Iowa's maximum benefit is slightly more than the federal minimum amount for Residential Care Facility (RCF) services [$25/day v. $24.59/day] and substantially more than the federal minimum for In-Home Health-Related Care Assistance (IHHRC) [$480.55/month v. $340.94/month]. DHS also makes an additional payment of $20/month for Family Life Home recipients whose only other income is Supplemental Security Income (SSI). This is done to compensate for a $20/month disregard that SSI recipients with other income receive when the amount of their SSI benefit is determined so that all Family Life Home recipients ultimately have the same total monthly income regardless of whether or not SSI is their sole source of income.

The Supplement for Medicare and Medicaid Eligibles program provides the minimum benefit possible ($1 per month per person) to qualify for federal financial participation in paying for the Medicare Part B premium for this population.

The federal Social Security Administration issues SSA payments for Mandatory State Supplementation, the Blind Allowance, Dependent Person Allowance and Family Life Home Assistance. The Iowa Department of Human Services (DHS) reimburses and pays an additional administrative fee to the Social Security Administration for issuing these payments. The state has no ability to control or influence the administrative fee. DHS issues the IHHRC, RCF and. Supplement for Medicare and Medicaid Eligibles payments. As noted above, DHS also issues supplemental payments to Family Life Home recipients whose only income is SSI.

Under federal law, the Dependent Person allowance increases by the same percentage increase as any Cost of Living Allowance (COLA) approved by the federal Social Security Administration. Federal law requires a similar increase in the per diem rate paid for Residential Care Facility (RCF) services **unless** the state is already paying more than the federally established per diem rate. The current RCF per diem rate of $25 paid by the state is slightly higher than the federal minimum; however, if the Social Security Administration continues in 2005 and 2006 to approve annual COLA's equal to the COLA for calendar year 2004, the federal minimum will exceed the state maximum effective January 1, 2006. Consequently, DHS will be required to increase the state's maximum RCF per diem rate to equal the new federal minimum per diem starting January 2006. Subsequently, DHS will be required to increase both the Dependent Person allowance and the RCF per diem by the amount of any COLA each successive year.

Annual COLAs do not change the benefit amount under the remaining SSA programs. As noted above, the federal minimum monthly payment for IHHRC is currently $340.94 while the current

maximum paid by the state is $480.55. In state fiscal year 2004, the state **reduced** its maximum IHHRC monthly payment **by 3.1%** to stay within the amount of funds appropriated for SSA.

DHS is projecting the following levels of need for SSA programs in SFY 2006 (figures may include some rounding):

Program	Average Persons/Month	Average Cost/Person per month	Estimated SFY 06 Cost
Mandatory State Supplementation	59	Actual cost varies by individual but the average is projected at $85.46	$60,506
Blind Allowance	683	$22.00	$180,400
Dependent Person Allowance	1,081	$294.11(includes estimated COLAs for 2005 and 2006)	$3,815,194
Family Life Home	6	$162 + $20 for individuals whose only other income is SSI	$12,540
In-Home Health-Related Care	1,596	$442.17	$8,467,856
Residential Care Facility	933,679 total bed days (represents a minimum monthly average of 2,558 persons)	$25/day from July 1, 2005 through December 31, 2005 $25.34 from January 1, 2006 through June 30, 2006	$7,258,848
Supplement for Medicare and Medicaid Eligibles	6,200	$1	$74,400
Administrative fee to Social Security Administration			$199,484
Total			**$20,069,228**

Populations for the following SSA programs are considered relatively stable with no projected caseload increase from SFY 2005 to 2006: Mandatory State Supplementation, Blind Allowance, Family Life Home, RCF and Supplement for Medicare and Medicaid Eligibles. Slight increases are projected in caseloads for the Dependent Person (average monthly increase of 21, from 1,060 in SFY 2005 to 1,081 in SFY 2006) and In-Home Health-Related Care programs (average monthly increase of 11, from 1,585 in SFY 2005 to 1,596 in SFY 2006).

For state fiscal year 2006, DHS is projecting a $0.34 increase in the maximum RCF per diem, from $25 to $25.34, effective January 1, 2006, to meet the new minimum federal per diem rate resulting from an anticipated 2.1% COLA. This same COLA will also increase the Dependent Person benefit by 2.1% effective January 2006. In addition, DHS is projecting a $6.72 increase in the average monthly cost per person for IHHRC, from $435.45 in SFY 2005, to $442.17 in SFY 2006.

In SFY 2006 and subsequent years, Dependent Person and RCF benefits will automatically increase each year due to COLA's. As described above, the state has no ability to limit or lower benefit amounts for SSA programs with the exception of In-Home Health Related Care (IHHRC) which was already lowered in SFY 2004 and which is subject to a federal minimum level. Although the current maximum IHHRC benefit amount of $480.55 is well above the federal minimum level of $340.94, the projected average payment of $442.17 for SFY 2006 is considerable higher than the federal minimum and closer to the state maximum. If the current maximum state IHHRC payment level is further reduced to offset increased costs under other SSA programs, IHHRC clients may have a harder time finding providers that will accept the decreased payments. This may consequently lead to former IHHRC clients having to move into more expensive nursing facility placements.

This offer includes administrative functions and local staff necessary to deliver SSA services effectively and efficiently. Service levels under this offer assume any salary adjustment for DHS staff is fully funded.

Rent Subsidy

The rent subsidy program provides assistance to persons participating in the Iowa Department of Human Services' (DHS) Home and Community-Based Services (HCBS) waiver program who are at risk of being placed in a nursing facility. The program provides a monthly rent assistance payment to these persons to help them live successfully in their own home and community. The program provides rental assistance until the participant becomes eligible for a federal Department of Housing and Urban Development (HUD) housing choice voucher or other type of public or private rent subsidy.

The maximum monthly payment is equal to the rent paid, not to exceed 110% of the eligible applicant's county of residence Fair Market Rent (FMR) as determined by HUD, less 30% of the gross income of the eligible applicant. The FMR is that of a one-bedroom unit or a proportionate share of the rental cost in units containing more than one bedroom.

This program is funded by the Iowa Department of Human Services (DHS) and administered by the Iowa Finance Authority (IFA); consequently, both agencies have developed offers that include this program. IFA is estimating that a monthly average of 375 persons will receive rent subsidy assistance in SFY 2006 under a budget of $700,000. Once all funds appropriated for the program have been obligated, a waiting list is established.

Improved Activity

DHS proposes changing the income eligibility criteria for the Supplement for Medicare and Medicaid Eligibles coverage group under the State Supplementary Assistance program from 135% of the federal poverty level or above to 120% of the federal poverty level or above.

DHS is currently using 100% state dollars to pay monthly Medicare Part B premiums for approximately 3,300 Medicaid recipients who would be eligible for the Supplement for Medicare and Medicaid Eligibles coverage group except that their income falls between 120%-134% of the federal poverty level. This change will allow DHS to receive federal financial participation instead of using 100% state funds for their Medicare premiums.

Adding 3,300 new persons to this coverage group, who receive $1 per month from state funds paid on a quarterly basis, will increase state costs to the State Supplementary Assistance program

by $39,600 per year (3,300 x $1/month x 12 months). This cost will be offset by the FFP the state will receive to pay for Medicare Part B premiums for these individuals. The increase in federal funds the state can expect to receive is based on the following assumptions:

- Medicare Part B premium cost of $76.44 per month.
- Federal match rate of 63.07% for SFY 06.
- Implementation effective July 1, 2005.

Using those assumptions, the state would see a savings to Medicaid of $1,909,144 for SFY 06 ($76.44 x 0.6307 x 3,300 x 12) and a net savings in state funds of $1,869,544 in SFY 06 ($1,909,144 - $39,600).

OFFER JUSTIFICATION

Existing Activity

The benefits provided through the State Supplementary Assistance (SSA) programs are required as a part of the federal Maintenance of Effort (MOE) requirement for the Medicaid program. The state must provide services to everyone meeting eligibility requirements. If the state does not meet this MOE requirement, it cannot participate in the Medicaid program, which would result in an annual $1.6 billion loss in federal Medicaid funds. [Legal References: 20 CFR 416.2095 and Code of Iowa 249].

The rent subsidy program enables Medicaid participants with special needs to continue to live in their own homes and communities as a less expensive alternative to nursing facility placement.

Improved Activity

The proposed improved activity for expanding eligibility under the SSA Supplement for Medicare and Medicaid Eligibles coverage group will result in a net savings in state funds of $1,869,544 in SFY 06.

PERFORMANCE MEASUREMENT AND TARGET

Measurement	Target
Average monthly number of individuals receiving In-Home Health-Related Care	1,596
Number of Residential Care Facility (RCF) bed days	933,679

PRICE AND REVENUE SOURCE

Total Price: $24,765,474

Expense Description	Amount of Expense	FTEs
Program RCF $7,258,848 IHHRC 8,467,856 Blind allowance 180,400 Dependent Person 3,815,194 Family Life Home 12,540 Mandatory 60,506 Supp. for M & M Elig. 114,000 Rent Subsidy 700,000 Total $20,609,344	$20,609,344	
Administration (General Administration) * includes fee paid to the Social Security Administration	$ 268,412	1.00
Service Delivery (Field Expense)	$ 3,887,718	57.15
Total	$24,765,474	58.15

Revenue Description	Amount
Tobacco Funds	$ 182,381
Senior Living Trust Funds	$ 700,000
State appropriation	$21,902,933
Other (Outstationing and County revenue)	$ 252,508
Federal Matching Funds	$ 1,727,652
Total	$24,765,474

OFFER FOR IOWANS

IDENTIFYING INFORMATION

Offer Identifier: H_401_13F
Offer Name: Medicare Drug Benefits for Iowans (Medicare Part D)

This offer is for a (pick one):
__X__ new activity
_____ improved existing activity (describe the improvements in your narratives below)
_____ status quo existing activity

Result(s) Addressed: Improve Iowan's Health
Participants in the Offer: Iowa Department of Human Services
Person Submitting Offer: Kevin Concannon
Contact Information: Eugene I. Gessow, 281-6249, egessow@dhs.state.ia.us
Ann Wiebers, (515) 281-6080, fax (515) 281-7791, awieber@dhs.state.ia.us

OFFER DESCRIPTION

Part I

The passage of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) created a new Medicare drug benefit (Part D) effective January 1, 2006.

Under the MMA beginning January 1, 2006, Medicare (rather than Medicaid) will pay for prescription drugs for (Medicare/Medicaid) dual eligibles. States, will be required to pay Medicare an amount that DHS estimates will be, at best, equal to what Iowa would otherwise have paid under Medicaid for prescription drugs for dual eligibles. This payment is known as the "clawback".

This offer includes the costs to Iowa for the clawback payment to the federal government.

Part II

The offer describes how the Iowa Department of Human Services (IDHS), as the state Medicaid agency, will comply with the administrative requirements under the MMA. This new Medicare benefit will provide prescription drug coverage to disabled persons and those 65 and older who receive Medicare Part B. The act provides for subsidy programs to Medicare beneficiaries with income below 150% of the federal poverty level to eliminate or reduce the amount beneficiaries must pay for Medicare Part D premiums, deductibles, co-payments, or other out-of-pocket expenses. As the state Medicaid agency, DHS is required to provide eligibility determination services for the subsidy programs. This offer includes administrative functions and local staff necessary to deliver services effectively and efficiently. States will be responsible for administering the subsidy eligibility for this drug benefit, matchable with 50% federal financial participation. Service levels under this offer assume any salary adjustment for IDHS staff is fully funded.

The following describes general provisions of the new Medicare Part D, eligibility criteria and benefits under the subsidy programs, and estimates of the number of Medicare beneficiaries expected to seek eligibility determinations from DHS.

Medicare Part D General Provisions

- Beneficiaries must pay an estimated monthly premium of $35 = $420/year.
- Beneficiaries must pay a $250 annual deductible.
- After meeting the deductible, the beneficiary is responsible for 25% of drug costs up to $2,250 – [25% of ($2,250 - $250 deductible = $2,000) = $500].
- Once the annual limit of $2,250 is reached, there is no coverage for drug costs until the beneficiary's out-of-pocket expense = $3,600. In other words, once the $2,250 limit is reached, there is no additional coverage until annual drug costs exceed $5,100. [Beneficiaries must pay $750 out of the first $2,250 in annual drug costs, leaving an additional $2,850 ($3,600 - $750) that must be paid out-of-pocket before coverage begins again; $2,850 + $2,250 = $5,100.] Beneficiaries must pay $3,600 out of the first $5,100 in annual drug costs compared to $1,500 covered by Medicare.
- Once out-of-pocket expenses reach $3,600, the beneficiary must pay either a 5% coinsurance, or a $2 co-pay for generic and preferred drugs and $5 for all other drugs, whichever is greater.

Medicare Part D Subsidy Program – Eligibility Requirements and Benefits

Income Limits

- Income less than 135% poverty – the subsidy program pays the entire cost of the Part D premium and deductible. The co-payments range from $1-$3 for beneficiaries up to 100% of poverty and from $2-$5 for beneficiaries between 101%-under 135% of poverty, and no additional out-of-pocket expenses.
- Between 135%- under 150% - sliding scale charge on the Part D premium up to $35, $50 deductible, coverage that pays 85% of costs up to the $3,600 limit and co-pays of $2 or $5 per prescription after that limit is reached

Resource Limit

Under 135% Resource Limits

- Single person - $6,000
- Couple or households that have dependents - $9,000

135- under 150% Resource Limits

- Single person - $10,000
- Couple or households that have dependents - $20,000

Applications for the Medicare Part D Subsidy Program

Persons who are eligible to participate in Medicare Part D and choose to apply for the Medicare Part D Subsidy program may do so at either

- Social Security Administration offices
- Or local DHS offices

Application Timeframe

To start the Medicare Part D Subsidy Program initial applications will be filed between July and December 2005 so applicants are eligible when Medicare Part D begins in January 1, 2006.

Eligibility Process

Initial eligibility is based on filing an application while continued eligibility requires an annual re-determination.

Case Projections for State Fiscal Year 2006

- DHS's best estimate is that there are approximately 60,000 people who could potentially be eligible for the subsidy program, including those who begin receiving Part B during the time period July 1, 2005 through December 31, 2005.

- 30,000 aged
- 30,000 disabled
- It is anticipated that 100% of those eligible for the Medicare Part D Subsidy program will apply because of the universal anticipation of relief from prescription drug expenses. These people will apply between July 1, 2005, and December 31, 2005.
- DHS estimates that 75% will apply at local DHS offices and 25% at Social Security Offices (99 DHS county locations vs. 20 Social Security offices).
- 60,000 x 75% = 45,000 applicants that are eligible
- From January 1, 2006, thru June 30, 2006, an additional 5,000 will either become age 65 or meet the 24-month disability requirement to be eligible for Medicare and also meet the income and resource limits for the Medicare Part D Subsidy Program. Of these, 75% will apply for the Medicare Part D Subsidy at their local DHS office.
- 5,000 x 75% = 3,750 applicants that are eligible
- 45,000 + 3,750 = 48,750 eligibles for the Medicare Part D Subsidy Program in state fiscal year 2006.
- There are approximately 50,000 people on Medicaid that will be dually eligible for Medicaid and the Medicare Part D Subsidy program. These people will be automatically enrolled in the Medicare Part D Subsidy program. Should they choose not to participate they will not be eligible for Medicaid to pay for their prescriptions. While DHS field staff will not have to do eligibility determinations for these people, field staff will receive increased phone calls from these clients to clarify their Medicaid and Medicare benefits.

There may also be individuals who are over income or resources who will apply and/or inquire about the Medicare Part D Subsidy Program and consume DHS staff time.

OFFER JUSTIFICATION

This offer is made in response to the federal mandate created by passage of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) which designates the program as well as the state agency that is mandated to administer the program. The Department's participation in MMA is not optional.

Health

All Iowans Have Access to Quality of Care

Determining eligibility for Part D subsidies provides a customer-focused service that will give older and disabled low-income Iowans financial access to prescription drugs. This helps reduce health disparities between this population and other Iowans having access to health care that includes prescription drug coverage and contributes toward the Governor's leadership agenda that "all Iowans have access to quality health care, …"

Improves Preventative Strategies and Health Education

Determining eligibility for Part D subsidies will have a long-term effect on the health of older and disabled low-income Iowans. Having access to prescription drugs is a preventative strategy that will enable this population to improve their health and avoid stays in hospitals or emergency rooms.

Improves Quality of Life:

Having affordable access to prescription drugs provides a minimum level of stability and security to older and disabled low-income Iowans so they can improve their health outcomes.

PERFORMANCE MEASUREMENT AND TARGET

Part I

Iowa's clawback payment under Part D will equal the avoided State costs due to the shift of the cost of (dual eligibles') pharmacy benefits to Medicare.

EXAMPLE:

	Under Medicaid	Under MMA
2006 Pharmacy costs* – dual eligibles	$200M	$200M
Less: PDL Pharmacy cost reduction	($20M)	Not Applicable
	$180M	$200M
Clawback percentage (CY 2006)	X 90%	X 90%
Total cost of Clawback (CY 2006)	$162M	$180M
X 50% (1/2 year for SFY 2006)	X 50%	X 50%
	$81.0M	$90M
Mult by State Share = 36%	X 36%	X 36%
State cost of Clawback	$29.2M	***$32.4M***

* Drug product cost, less any drug rebates

Note: Under MMA, the 2006 pharmacy cost calculation ignores the savings that will accrue to the state due to implementation of the PDL and other cost containment initiatives after 2003.

Part II

Measurement	**Target**
The number of applications for subsidies processed.	TBD

PRICE AND REVENUE SOURCE

Total Price: $91,110,755

Expense Description	Amount of Expense	FTEs
Policy person –IMW6	$ 68,807	1
System changes	$ 250,000	
Postage and other administrative costs	$ 300,000	
Field Staff costs	$10,953,446	170
Part D Clawback Payments to Medicare	$79,538,502	
Total	$91,110,755	

Revenue Description	Amount
Federal share for policy person – IMW6	$ 34,404
Federal share for system changes	$ 125,000
Federal share for postage and other administrative costs	$ 150,000
Federal share for field staff costs	$ 4,748,877
Federal share for Part D clawback payments	$50,164,933
Other Funds (County Share)	$ 747,797
State General Funds	$35,139,744
Total	$91,110,755

OFFER FOR IOWANS:

Independent, community living for 350 Iowans with special needs

Offer Identifier: H_270_3F

Offer Name: Home and Community-based Services (HCBS) Rent Subsidy Program

This offer is: Status quo existing activity*

Result(s) Addressed: Indicator: Percentage of Iowans responding *Very Good* or *Excellent* to the question "How is your health, in general?"

Strategy: Improve Quality of Life – Safe and Healthy Living Environment for Children, Persons with Special Needs and Vulnerable Populations

Participants: Iowa Finance Authority and Iowa Department of Human Services

Person Submitting: Michael Tramontina, Executive Director, Iowa Finance Authority
Contact Information: 242-4977 / michael.tramontina@ifa.state.ia.us

Offer Description: Appropriate $700,000 to continue the HCBS Rent Subsidy program. This program provides temporary rental assistance for people who receive medically-necessary services through any of the six Medicaid 1915(c) waivers and are at risk for placement in a nursing facility. This program provides rental assistance until the client becomes eligible for a Housing and Urban Development (HUD) housing choice voucher or any other type of public or private rent subsidy. IFA administers the Rent Subsidy program pursuant to a 28E agreement with DHS signed August 1, 2004.

Offer Justification: The state can control the growth of Medicaid long term care expenditures and provide an accessible and affordable community-based option for Medicaid-eligible consumers who would otherwise be placed in institutions. A survey of public housing authorities in Iowa by a University of Iowa intern in August 2003 found that a person with a disability would wait from six months to two years before a HUD housing choice voucher becomes available. The costs associated with an illness or disability can reduce a person's ability to afford to live in the community. In these cases, a person who is eligible to live in a nursing facility may choose to do so because the costs associated with housing, nutrition, activities and health care are all paid by the Medicaid program. Additionally, consumers who live in an institution would find it extremely difficult to save enough money to make the transition into an apartment in the community. The rent subsidy program provides the assistance consumers need to remain in or return to the community.

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* While this is an existing activity, it would be the second installment in a multi-year plan that will become self-perpetuating; eventually new funding will no longer be needed. The SLRLPF was authorized and funded in the FY 2005 budget with $5 million from the Senior Living Trust with the intent that additional funds would be added each year for several years until loan repayments create sufficient revolving principal and interest so the fund becomes self-perpetuating.

A recent cut to the HUD rent subsidy program of $1 billion has caused significant anxiety for public housing authorities, people with disabilities and housing advocates, and will likely increase the length of time that consumers remain on a waiting list.

A $700,000 State investment currently provides the housing subsidy available to keep more than 350 Medicaid 1915(c) waiver eligible consumers from moving into a nursing facility. Once a consumer becomes eligible for another rent subsidy, funds are immediately offered to another waiver-eligible consumer.

The HCBS Rent Subsidy Program clearly supports efforts to comply with the U.S. Supreme Court Olmstead ruling and state Executive Order 27. Without access to rent subsidy, lack of financial resources would necessitate 350 consumers moving to a nursing facility.

The HCBS Rent Subsidy Program is consistent with the intent of the Iowa Senior Living Trust. It supports delivery of health care services outside institutions and cost containment in the delivery of health care. Further, it enhances Iowans' quality of life.

At least initially, **there** is no cost of administration for the state because IFA has agreed to administer the program at no cost to the DHS.

Performance Measurement and Target: An investment of $700,000 will provide rent subsidy for 350 consumers a month and the state will control the growth of Medicaid long term care expenditures by providing services in the community instead of at higher-cost nursing facilities.

Price and Revenue Source

Total Price: $700,000

Expense Description	Amount of Expense	FTEs
Appropriation to DHS; IFA to administer	$700,000	0
Total	$700,000	

Revenue Description	Amount
Senior Living Trust	$700,000
Total	$700,000